

ICD-10/5010 Frequently Asked Questions

1. What is ICD-10?

The new code set is the next level of diagnosis and procedure codes, building on the foundation of ICD-9 codes. The significance of the change is the magnitude of the increase of codes – from 20,000 codes under ICD-9 to 155,000 under ICD-10 – an almost eight-fold expansion. The reason for such great expansion is to uniquely identify previously uncatalogued conditions and accommodate new codes. The new code set will also better reflect current knowledge of disease processes, contemporary medical terminology, medical devices and medical practice. The ANSI X.12 Version 5010 standard for healthcare electronic data transactions is a prerequisite for ICD-10 readiness.

2. How does ICD-10 relate to ANSI X.12 Version 5010?

Patient-specific diagnosis and procedure codes are transmitted from providers to payers via electronic data interchange (EDI) standard ANSI X.12 transactions. The new ANSI X.12 5010 claims transaction standard contains significant improvements for the reporting of clinical data including a new format that enables the reporting of ICD-10-CM diagnosis codes and ICD-10-PCS procedure codes. Now there is the ability to distinguish between principal diagnosis, admitting diagnosis, external cause of injury and patient reason for visit codes.

The January 1, 2012, deadline for being able to send and receive transactions using the new format is prior to the deadline for using ICD-10. This time line ensures that the new format for these critical billing and reimbursement transactions will have been operational for more than a year and can support the new ICD-10 codes when the cut over occurs October 1, 2014.

3. What is the impact of ICD-10 to hospitals?

Unfortunately many healthcare administrators think the ICD-9 to ICD-10 conversion simply is a coding transition that will affect only medical records and back-office personnel. However, the use of ICD-9 is pervasive throughout the hospital. This complex transition will affect literally all aspects of your organization, with disruptions in the short term to workflow and cash flow.

- **Clinical:** To ensure appropriate reimbursement, the new codes require clinical details that accurately and uniquely describe the inpatient

procedure (for example, body parts, surgical approaches and devices used). If clinical documentation does not provide the appropriate details, the claim may not qualify for the appropriate reimbursement. Caregivers must understand the specificity required to support accurate and timely coding, or there may be workflow disruption and inefficiencies in claims processing. The importance of capturing these details will, by default, make adoption of EHRs/EMRs more important.

- **Financial:** Proper coding should result in accurate payment for the service and reduce the need for claims attachments. It should also result in fewer claims rejections. The enormity and complexity of the change could result in coding challenges, delayed billing and incremental claims rejections. These situations will yield temporary cash flow disruption and lower levels of reimbursement. Advanced planning and testing can minimize these risks, but organizations will need to revise cash management plans to ensure they have enough cash on hand to cover the transition period.
- **Operational:** Because the change will affect many IT solutions, there will be a need to invest in IT upgrades, implementation and training. It will require training of clinicians and coders, with the possible need for additional coders or outsourced billing during the transition period. Governance oversight will be needed for compliance and policy changes, and payer contracts will need to be reviewed for specific ICD-9 references.

4. What is the impact of ICD-10 on physician practices?

As a result of coding and transaction standard changes, physicians will need to address several business issues to ensure coding compliance and minimize any potential disruption of care services and cash flow.

- **Training:** Significant time and effort will be required to bring coders and physicians up to speed on the new ICD-10 requirements — new codes sets, required documentation and technology. Additional code specificity will require expanded knowledge of anatomy and physiology for coders. In addition to back office

impact, physicians must ensure that their clinical documentation is specific enough to support the selection of an ICD-10 code.

- **IT systems:** Existing applications and platforms may require modification to support ICD-10. Practice workflow may need modification to accommodate new information technology.
- **Contracts and coverage determination analysis:** Health plans likely will modify coverage determination policies and reimbursement schedules, and contracts may be altered.
- **Flow:** Under the best circumstances, cash flow will slow down for a significant period of time.

McKesson believes the long-term impact to healthcare providers of the 5010 and ICD-10 transition will be positive since it will result in greater efficiencies in care documentation and claims processing. Ultimately, use of the new code sets will lead to improvements in care quality and financial performance.

5. Why is it important to get started on my ICD-10 conversion now?

Most healthcare organizations are overwhelmed with planning and execution to meet ARRA meaningful use requirements; so unfortunately, many have not made ICD-10 conversion an immediate priority. It's important to be aware of the impending deadline and the need to put the appropriate plans in place to enable compliance.

The [Centers for Medicare & Medicaid Services \(CMS\)](#) advises that organizations need to already have completed or be in the process of completing the ICD-10 impact assessment for their organization. The assessment should identify:

- Affected business areas and individuals
- Affected systems, applications and databases
- Impact on documentation processes and workflow

CMS advises that delayed completion of an impact assessment will jeopardize the organization's ability to complete all ICD-10 implementation tasks by the compliance date.

6. How can I get started?

If you haven't already put a team in place to assess your needs, you should do so immediately. Based on

everything we know about ICD-10, McKesson recommends that providers begin to prepare immediately by:

- Understanding the new code set structure, compliance time line and requirements
- Determining all the places where ICD-9 codes are used and why, and assessing the impact of the transition
- Working with your IT vendors to assess affected systems and develop an upgrade road map
- Determining how to manage this project in conjunction with other, large IT endeavors

7. How is McKesson Provider Technologies preparing to address the ICD-10 conversion?

- IT solutions that are affected by ICD-10 will concurrently support the existing ICD-9 code set.
- Upon request, your enterprise account executive can provide detailed readiness documents for your affected McKesson products and interfaces.
- As with ARRA, we will provide gap analysis and road map services for our customers to enable release planning for the transition.
- We offer a comprehensive ICD-10 transition service to aid customers in making the migration.

8. Which of my provider products will be affected by the conversion from ICD-9 to ICD-10?

Your health IT vendors should be able to provide you with a list of affected products. An example of what an affected solutions list might include is provided below:

- HIS solutions, including admissions/ registration, scheduling, patient management and billing
- Clinical charting solutions
- Medical record solutions
- Ancillary solutions that feed and receive data from your HIS and enterprise systems
- Homecare solutions
- Practice management and physician EHR solutions
- Revenue cycle management systems
- Analytics solutions
- Clearinghouse solutions

Upon request, your McKesson enterprise account executive can provide detailed release information for your organization's affected McKesson products.

9. Will McKesson solutions be ready for providers to install, test and go live in time to meet the compliance date?

As with past regulatory requirements, such as Y2K and HIPAA, McKesson is prepared to assist you in meeting your 5010/ICD-10 requirements.

10. When can I schedule my implementation slot?

We look forward to scheduling upgrades as a part of your ICD-10 readiness plan. Many product releases that support ICD-10 are available now and ready for scheduling. Please contact your enterprise account executive to assist with upgrade coordination.

11. Will there be software, hardware or service costs related to ICD-10?

McKesson views ICD-10/5010 updates as part of our normal release process. When planning any upgrades, releases or patch applications, if and when available, you need to consider hardware, operating system and service requirements.

12. Will I get one ICD-10 release that covers all of my solutions?

Not all products are affected by 5010 and ICD-10. For detailed information and planning for your specific needs, contact your enterprise account executive.

13. When can I begin my coding and transaction testing for ICD-10?

The scheduling and coordination of the necessary upgrades will drive when you can begin testing.

14. Will McKesson solutions support a dual coding environment?

IT solutions that are affected by ICD-10 will concurrently support the existing ICD-9 code set.

- We have not established a final date for when we will discontinue support of ICD-9. That will be dependent on how long CMS continues support for ICD-9 codes and the successful transition of commercial payers, particularly those not covered under HIPAA.

- McKesson suggests that organizations plan for a dual coding period prior to the cut over and that they use that date as their formal planning date rather than October 1, 2014.
- Having the ability to perform dual coding enables organizations to support patients whose payers require ICD-9 transactions after the October 2014 date.
- Having a dual coding environment prior to the cut-over date provides an organization's staff with practical experience to reinforce their training. It also enables the organization to identify and address problem areas and institute new governance policies before the issues impact cash flow.

15. How do I know when to use ICD-9 or ICD-10 codes?

For all covered entities, claims for a patient discharged on or after October 1, 2014, are to be coded in ICD-10.

- Claims with dates of service or dates of discharge/through dates on or after October 1, 2014, use ICD-10 codes.
- Claims with dates of service or dates of discharge/through dates prior to October 1, 2014, are billed with ICD-9 diagnosis codes.
- Re-bills must use the same code set as the original bill.
- Split claim situations require that providers split the claim so all ICD-9 codes are on one claim and all ICD-10 codes are on another claim. One claim cannot have both ICD-9 and ICD-10 codes.

An anesthesia claim for procedures that begin on September 30, 2014 but end on October 1, 2014 are to be billed with ICD-9 diagnosis codes and use September 30, 2014, as both the "from" and "through" date.

Certain insurances are not covered by HIPAA regulations (specifically Workers Compensation and automobile insurance plans) and may continue to require ICD-9 codes for billing.

16. Will there be crosswalks to help my organization translate to the new code set without affecting reimbursement?

- McKesson's primary strategy for ICD-10 transition is to recommend that organizations code in the appropriate native code set and employ crosswalk and mapping tools in preparation for the transition.
- There will not be a one-to-one crosswalk, but often a series of coding options that depend on specific information from the chart to narrow the selections that are provided. McKesson is offering a comprehensive service track that includes a service line assessment that leverages crosswalk tools.

17. Are you offering services to ensure that I successfully make the transition?

McKesson offers a comprehensive service package to assist organizations in their pursuit of ICD-10 readiness.

- For hospitals, services include a readiness assessment, road map development and implementation, and risk management services. The three tracks build on each other, but are available separately, enabling the organization to decide just how much assistance it needs. For more information on these tools and McKesson services, hospital customers can email ICD-10PREP@McKesson.com.
- For physician practices:
 - For customers of McKesson's practice management and EMR software offerings, email Gina.Brier@mckesson.com for information about ICD-10 services.
 - McKesson's Revenue Management Solutions (RMS) group, a provider of billing and practice management services, provides ICD-10 assistance:
 - For current customers, RMS helps them assess the ICD-10 readiness of their medical record delivery process, which includes medical record documentation training to fully support the ICD-10 diagnosis code determination.
 - For practices not using RMS services, the group offers a comprehensive series of services to help physician

practices prepare for ICD-10, which includes a practice readiness assessment, ICD-10 road map development, ICD-10 training, and implementation and risk management support.

- For further information on RMS services, email rmsinfo@mckesson.com or call 800-722-5294.

18. How do I get information on when my McKesson products will be ICD-10 ready?

Contact your enterprise account executive and request an information package for your organization's affected products and interfaces. When you are ready for project planning, your enterprise account executive can assist with the development of a road map tailored for your organization.

19. How should I coordinate ICD-10 readiness assessments for my McKesson products in conjunction with ARRA readiness and actions?

Customer ARRA assessments are well underway, and McKesson plans to extend our blueprinting services to ICD-10 planning for McKesson products. In preparation, our detailed readiness statements should help you plan for the necessary upgrades.

Planning efforts for ICD-10 involve other solutions and resources that extend beyond McKesson applications. McKesson will be happy to assist with your overall planning through our service offerings.

20. Who are my contacts for ICD-10 information?

- For ICD-10 release planning information, contact your enterprise account executive.
- For information on our ICD-10 transition service, email ICD-10prep@mckesson.com.

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